001 3 L 1953

## REPORT. LEGISLATIVE

## Newsletter

KATHARINE ST. GEORGE Rep. In Congress 28th District

We have been working this week in the Rules Committee on a bill amending the Davis-Bacon Act to include fringe benefits. The bill came from the Committee on Education and Labor. The Subcommittee, under the chairmanship of Mr. Roosevelt of California, had apparently been unable to agree on anything of importance and the Chairman came to the conclusion that the Committee on Rules had better hear further testimony on the legislation. It is palpably absurd to give rules on bills that the committees in charge, who are supposed to be the experts, cannot agree on, and apparently do not even understand.

One of the flaws and danger spots in the American system is the constant dispute between capital and labor. The recent manifestation is the classing of political parties, candidates and individuals as pro or anti labor. Nothing could be more utterly absurd because capital and labor cannot exist or progress without each other. What has made this country great? What has made this country prosperous? What has made this country powerful? The answer is obvious. It is the fact that we have a capitalistic system based on a powerful and prosperous, nay wealthy, labor organization.

Now, our danger today is that there are many people in Government, and many of them powerful in this Administration, who do not believe in our system. They believe in the philosophy of Karl Marx and in what they call "democratic socialism." They believe that Government should be the owner, and that private capital should be destroyed, or confiscated, which is the same thing, and at labor should lose its treedom and act as the Government's agent among the workers,

as in the Soviet Union and all communist countries. One of the authorities for these statements is none other than Professor Arthur M. schlesinger, now the President's principal speech writer and political piviser. The Professor has this to say about labor under socialism as he hopes to see i: "It becomes not a free labor movement, but a labor front. Staikes can no longer be trade instruments in a nationalized in justry. Unions inevitably become organs for disciplining the workers, not for representing them." Well, you can see nationalized industry and disciplined workers today behind the Iron Curtain, and the people behind that Curtain want for bread. Starvation, to a greater or lesser decree, exists from East Berlin clear across to the Pacific

If this is what the people of the United States want they can get it by voting into power the people who believe in the philosophy of Marx, Engel and Lenin. We have them in this country and they are not hard to find. They are ready to take over now. It is better for us to realize, lefore it is too late, that we must strengthen the team of capital and labor, not divide them; that reither can exist without the other; and that, while abuses will rom time to time arise bn both sides, we had best settle these differences within our own system, rather than bring in an alien philosophy that has already proved a failure. There is no bette country for the future of both capital and labor than the Inited States of America. Personally, I believe that every American is a capitalist and a business man and that every wage earner, high or low, belongs in the ank of labor. This last applies equally to the high-salaried corporation president and the man on the assembly line. I believe in the right to strike for better wages and working conditions, and I support the principle of collective bargaining when both sides enter such bargai ing in good faith. At the sarie time I believe business must be allowed to make a decent profit so that it can grow,

be in complete "disarray", to use a favorable New Prontier cliche. One thing becomes abun-dantly clear, however, and that is that our State Department and, therefore, our Administration are always opposed to any anti-communist who dares to rear his or her ugly head on the horizon. As a result the communists are gaining all over the world, with the Russians ever striking a blow or putting any uniformed men in any foreign land. It is indeed a far cry from September 14, 1960. when candidate Kennedy said:

"If Communism should obtain a permanent foothold in Latin America, then the balance of power would move against us and peace would be even more in-

secure."

But we get the new approach from Mr. McGeorge Bundy on May 8th, 1963, when he said: "I think it is clear that the importance of Cuba is less than we think ... on the surface evidence of the headlines ... The real Issue here is not what does or does not happen in marginal daily conflicts with the disgraceful Castro regime. The real question is what happens in the processes of the societies of the Western Hemisphere as a whole.

Well, for Mr. Bundy's information its active states.

mation it is quite evident what effect this philosophy is having in the Western Hemisphere. Cen-tral and South America are going either to communism or military dictatorships. You can pay your money and take your choice. The list is a long one. In three short years our side, largely through CIA misinformation or stupidity, has lost: Cuba, Santo Domingo, Guatemala, Honduras, Ecuador, and hanging on the ropes are British Guiana, Venezuela, Brazil and Peru. In the eloquent words of the senior Senator from Maine, Margaret Chase Smith:

'How can the United States of America ever again claim to be the leader of the free world or ever hope to achieve the respect of other peoples so long as we tolerate -- whether willingly or begrudgingly -- the presence of this festering infection so very close to home?"

Just to cheer you on your

Approved For Release 2005.01/05: CIA-RD Transcott 49R000700160004-7